

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6737

BILL NUMBER: SB 291

NOTE PREPARED: Dec 28, 2011

BILL AMENDED:

SUBJECT: Primary Care Physician Loan Forgiveness Program.

FIRST AUTHOR: Sen. Young R

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: This bill provides that a primary care physician who is eligible for student loan forgiveness under the Primary Care Physician Loan Forgiveness Program may have student loans forgiven up to an amount of \$25,000 each year the primary care physician's practice provides service primarily in a rural area.

Effective Date: July 1, 2012.

Explanation of State Expenditures: The bill could increase expenditures from the Primary Care Physician Loan Forgiveness Fund. The current maximum loan forgiveness amount is \$5,000 for a licensed primary care physician who is an Indiana resident and if the majority of their practice is in Indiana. The bill would increase the maximum to \$25,000 if the primary care physician primarily serves a rural area. However, there is no appropriation made in the bill for the program.

Background: The Primary Care Physician Loan Forgiveness Program was established in the 2009 legislative session. The fund consists of appropriations by the General Assembly and gifts. The fund is administered by the State Student Assistance Commission. Neither the 2009 or 2011 budget acts contained appropriations for the program.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: State Student Assistance Commission.

Local Agencies Affected:

Information Sources:

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